

## **DETAILED ACTION**

### ***Response to Amendment***

This office action is in response to amendment filed February 01, 2008. Applicant amended claims 1, 10, 13, 27, 36 and 37. Claims 1-19, 21, 24-30, 32 and 35-37 are pending.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 1-19, 21, 23-30, 32 and 35-37 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

Applicant's invention as disclosed is as follows:

Any advertisement in an advertisement (ad) pool is a candidate for publication, albeit subject to the selection thereof by the putative publisher of the on-line publication. (Publishers might refuse to publish certain advertising considered inappropriate for the publication and/or its subscribers for a variety of reasons and might therefore refuse to publish submitted advertising material.) At least one factor for determining which ads to place in a publication is the compensation or price, which an advertiser is, or might be willing to pay for placement. The price that an advertiser is willing to pay to place an ad might be affected by a number of factors (e.g. an advertisement's location in the publication or the published size) or determined in a number of ways, all terms and conditions of which are considered hereinafter to be "offers" to the publisher of the on-line publication to place an ad. Advertisers can send the offered price, i.e. the offer, with, and as part of, the actual advertisements 102, 104, 106 and 108 submitted to the putative publisher for publication. The price and/or other terms might be submitted 10 by fax, e-mail, or other delivery mechanism, in either electronic or printed format, either before, contemporaneously with, or after the advertisements and also identified in Figure 1 by

Art Unit: 3622

reference numerals 102, 104, 106 and 108. In its simplest embodiment, the method simply comprises placing the highest-paying ads in the publication, if they will "fit" (as determined by the publisher according to either the size of a data file that constitutes the advertisement, which will affect publication's transmission time, or, the physical size of an advertisement as it will appear in the publication) in the descending order corresponding to the offer price(s) to place the ad or ads.

In one embodiment, the price at which the advertisement of the highest offer is sold or charged is the offered price of the next-highest offer so as to incentivize the advertisers to bid higher than their competitors might bid. Bids or offers to place ads are preferably for determinable sums, i.e. money, but could also be in the form of barter or exchanges. Other embodiments would include simply sorting the offers by amount and taking the literally highest offer.

In the preferred embodiment, the publisher of an on-line publication can provide some assurance to prospective advertisers that their ads will be delivered to preferred recipients by matching advertiser's advertisements to particular subscribers (not shown) by using subscriber demographic data, which can also be provided to the prospective advertisers by the publisher. By doing so, increased advertising rates over other media can be justified. Sharing subscriber data to prospective advertisers can also be used to demonstrate circulation or pre-identify subscribers to whom content and advertising should be delivered. Providing some assurance that the ads will be targeted to particular subscribers can be used to justify increased advertising rates.

The preferred method of the invention includes the step 112 of reading subscriber (user) demographic data, for each subscriber to a service such as HPID, from a subscriber demographics file (SDF) 114. Data in the SDF 114 might include keywords (possibly obtained voluntarily by the subscriber or obtained from services and sources) from which a subscriber's buying practices and preferences can be determined or inferred. Without limitation, SDF data might also include the names, categories or descriptions of topics of interest to the subscriber, or names, categories or descriptions of other books, magazines or other publications preferred or received by the subscriber in the past. Information in the SDF 114 might also include numeric data or other indicia of a subscriber's background, income, profession or trade, interests or other characteristics. Keywords and other data might also identify subject matter of interest to the subscriber and be used to identify news stories or articles of interest to be collected and sent to the subscriber. Demographic data can be regularly updated in step 112 from data obtained from a variety of sources including market research firms, and even the subscribers.

In step 116, in the process of reading keywords 112 and other data in the SDF 114, advertisements in the pool of ads can be matched or fitted to conform to each subscriber to whom the electronic publication is to be delivered. In a service like HPID, which can customize both the content and advertising delivered to each subscriber, the amount of space that might be available for content and advertising will likely vary dynamically as articles and ads are selected. In step 116, advertisements in the ad pool, which comport with subscriber demographic data in the SDF, and content that also matches the demographic data determine the amount of space available for advertising. As a first step in selecting ads, those ads in the pool 102, 104, 106 and 108, which will fit within available space, are selected, identified or marked as candidates for publication in step 116 because they will fit within available advertising space. Alternatively, an advertiser might specify the size of a placed ad or, where the ad appears in the publication.

Art Unit: 3622

After the candidate ads are identified in step 116, in step 118, the advertiser's offered price to place each of the candidate advertisements are compared and sorted or prioritized by the amounts offered by the various prospective advertisers. In step 120, the candidate advertisement that was offered by its advertiser at the highest or maximum amount or price offered by the advertiser, is selected for placement into the publication. The actual location of the ad's placement in the publication – and therefore the value to a prospective advertiser - will vary according to a variety of factors, including, but not limited to the content information (files) that will comprise the rest of the publication at delivery time. **Advertising placement offers might also therefore include terms that specify an amount based upon placement location in the publication. Similarly, an advertiser might require certain minimum amounts for ads placed in certain areas or locations of the publication. Advertising offers - including both monetary and non-monetary terms, both of which are considered herein and for claim construction to be offer "amounts" and/or offer "prices" - are evaluated at step 120.**

By using the method for sizing copy and advertising inserts disclosed in "DOCUMENT DELIVERY SYSTEM WITH AUTOMATICALLY ADJUSTED COPY INSERTS", the teachings of which are incorporated by reference, the content information files and candidate advertising might be suitably resized in auctioning ads as described herein to further maximize advertising revenue. The sizing of ads and content can, for example, be part of either step 126 or step 116 et seq. as a re-sized ad might be of greater or lesser value to both the advertiser and publisher. Re-sizing ads and content might be done at any conveniently located step. In step 122, recipient (subscriber) heuristic data is read (checked) to determine if any of the candidate advertisements, 102 for example, have already been sent to the subscriber, in part, to determine if another delivery of the same, related or similar advertising is appropriate - according to either advertiser demands, expectations or payment or the subscriber's demographic data. In step 124, if the subscriber to whom the publication is to be delivered has not seen the candidate ad or ads, the ad is placed in the publication in step 126 using any appropriate file manipulation. The file representing ad 102 for example, might be "pasted" into the content information files so that the ad appears at some predetermined location in the printed or displayed version of the publication delivered to a subscriber. If it is determined in step 124 that advertisements have been seen by a subscriber, a review of advertiser's ad placement criteria is made in step 126. If it is determined in step 130 that the advertiser's ad placement criteria has not been established, i.e. the advertiser paid for several ad deliveries, the ad is placed for publication in step 126. If the advertiser did not pay for the ad delivery, or prior deliveries satisfied the publisher's commitment to deliver multiple ads, the method rejects the selected ad and instead re-selects the next-highest paying ad for publication consideration in step 132. Program control returns to step 122 as shown.

After the method places a candidate advertisement for actual publication in step 126, the method step 134 re-considers whether any other advertising space is left to be filled. If advertising space remains to be filled, program control returns to step 116 whereat advertisements remaining in the pool are subjected to the steps thereafter. In such a case, the next-highest advertising offer is identified and used to identify the ad to be placed in the remaining space. If all ads have been placed, the document (which includes content information) can be delivered or otherwise made available to the subscriber for whom the advertisements were assembled using the foregoing methodology.

Nowhere in the specification is disclosed or suggested that the advertiser submits the advertisement in any size and then is automatically resized to fit within available advertising locations on a page of the publication and automatically resizing at least one of existing content or dynamic content to fit within available space on the page near the publication space then auctioning the resized candidate advertisements to advertisers. The specification also does not teach auctioning the resized dynamic content to content providers.

As indicated above the specification discloses, advertisers **sending offer price, i.e. the offer, with, and as part of, the actual advertisement submitted to publisher for publication.** Then placing the highest paying ads in the publication, if they will fit, in the descending order corresponding to the offer price (page 4&5). In step 116, advertisements in the ad poll, which comport with subscriber demographic data in SDF, and content that matches the demographic data determine the amount of space available for advertising. As a first step in selecting ads, **those ads in the pool 102, 104, 106 and 108, which will fit with available space are selected, identified or marked as candidates for publication in step 116** because they will fit within available advertising space. **Alternatively, an advertiser might specify the size of a placed ad or, where the ad appears in the publication (see page 5). After the candidate ads are identified in step 116, in step 118, the advertiser's offered price are compared and stored and in step 120, the candidate advertisement that was offered by its advertiser at the highest price is selected** (page 6). On page 6, the specification discloses that the sizing of ads and content can; for example, be part of either step 126 or 116 or re-sizing ads and content might be done at any conveniently located step. This would be understood by any ordinary skill in the art that after the advertiser specify the size of the ad and places bid and after the advertiser offer price is

compared and stored and if the ad is offered at the highest price the ad is then selected and resized to the specified size of the advertisement.

Therefore, the description in the specification does not provides enough enabling support for the claimed "auctioning the resized candidate advertisements to advertisers and auctioning the resized dynamic content to content providers by receiving at least first and second respective offers."

Applicant's disclosure **does not teach or suggest that the ad is auctioned after it has being resized nor does it teach that the dynamic content is auctioned to content providers**. Applicant also **does not disclose the candidate advertisements represented by advertisers are in good credit standing**.

Independent claims 10, 13, 27 and 36 recite, the same limitation therefore, the above stated rejection applies.

Claims 1-19, 21, 23-30, 32 and 35-37 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Claim 1 now recites "*automatically resizing the candidate advertisements to fit within available advertising locations on the a page of the publication and automatically resizing at least one of existing content or dynamic content to fit within available space on the page near the publication space; auctioning the resized candidate advertisements to advertisers and auctioning the resized*

*dynamic content to content providers by receiving at least first and second respective offers; using advertising placement offers in the first and second offers that include terms specifying an amount based upon specific placement location in the publication; using specified minimum amounts in the first and second offers for advertisements placed in predetermined areas or locations of the publication; using monetary and non-monetary terms in the first and second offers; and placing on the page of said on-line publication candidate advertisements corresponding to a greatest offer of the auction represented by advertisers that are in good credit standing”.*

The specification does not disclose *identifying subscriber where candidate advertisements are to be sent according to subscriber’s demographic data; then automatically resizing the candidate advertisements to fit with available advertising location on the page in online publication and auctioning the newly resized candidate advertisements to advertisers and auctioning the dynamic content to content providers.*

Applicant’s specification also does not teach *using advertising placement offers in the first and second offers that include terms specifying an amount based upon specific placement location in the publication; using specified minimum amounts in the first and second offers for advertisements placed in predetermined areas or locations of the publication; using monetary and non-monetary terms in the first and second offers.*

Applicant provided support for this limitation on page 4 lines 4-13. The specification on page 4 discloses the following: At least one factor for determining which ads to place in a publication is the compensation or price, which an advertiser is, or might be willing to pay for placement. The price that an advertiser is willing to pay to place an ad might

be affected by a number of factors (e.g. an advertisement's location in the publication or the published size) or determined in a number of ways, all terms and conditions of which are considered hereinafter to be "offers" to the publisher of the on-line publication to place an ad. Advertisers can send the offered price, i.e. the offer, with, and as part of, the actual advertisements 102, 104, 106 and 108 submitted to the putative publisher for publication. The price and/or or other terms might be submitted by fax, e-mail, or other delivery mechanism, in either electronic or printed format, either before, contemporaneously with, or after the advertisements and also identified in Figure 1 by reference numerals 102, 104, 106 and 108. Nowhere in the specification is disclosed that ***“using advertising placement offers in the first and second offers that include terms specifying an amount based upon specific placement location in the publication; using specified minimum amounts in the first and second offers for advertisements placed in predetermined areas or locations of the publication; using monetary and non-monetary terms in the first and second offers”.***

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-9, 11, 13-19, 21, 24-30, 32 and 35-37, are rejected under 35 U.S.C. 103(a) as being unpatentable over Hanson et al. (US 5,974,398) in view of Markowitz et al. (US 6,311,185).

Regarding claims 1, 4, 6-9, 11, 13-19, 21, 24-30, 32 and 35, Hanson teaches obtaining offers to place advertisement on a page in an on-line publication; selecting the greatest offer; offers as bids or auction-type (see col. 5 lines 3-12); identifying at least one subscriber to which the page of the on-line publication, according to demographic data; placing on the page of the on-line publication the advertisement; wherein the offers are for a determinable sum (see fig. 13-15, col. 9 line 29 to col. 11 line 5); selecting content information based upon subscriber demographic data (see col. 8 line 63 to col. 9 line 23); determining if any of the advertisement have already been sent or viewed by the subscriber (see col. 5 lines 10-22). *Hanson teaches the advertiser providing minimum and maximum bid amounts (see fig. 15).* Markowitz teaches identifying at least one subscriber for placing advertisement; using of heuristic data to determine which advertisement to be disseminated on the page in on-line publication, including targeting, frequency and appropriate of the advertisement (see col. 3 lines 1-17); determine all available advertisement locations and placing ads on all the available locations and resizing the content to fit within the available space on the page (see abstract, col. 2 lines 19-30, col. 3 lines 19-50, col. 4 lines 1-45). It would have been obvious to one of ordinary skill in the art at the time of the invention to resize the ads of Hanson as in Markowitz in order to properly lay the advertisement in the publication without obscuring any information, as taught in Markowitz.

Regarding claims 2-3 and 5, both Markowitz and Hanson teaches publication distributed for publication using the Internet, wherein the publication is comprised of information obtained



from a plurality of sources (see Markowitz col. 2 lines 19-36, col. 3 lines 1-50 and Hanson col. 9 line 62 to col. 10 line 6, col. 11 line 57 to col. 12 line 27).

Regarding claim 36, Hanson teaches obtaining offers to place advertisement on a page in an on-line publication; selecting the greatest offer; identifying at least one subscriber to which the page of the on-line publication, according to demographic data; placing on the page of the on-line publication the advertisement; wherein the offers are for a determinable sum (see fig. 13-15, col. 9 line 29 to col. 11 line 5); selecting content information based upon subscriber demographic data (see col. 8 line 63 to col. 9 line 23). *Hanson teaches the advertiser providing minimum and maximum bid amounts (see fig. 15).* Markowitz teaches a computer identifying advertisement that comport with the subscriber profile; data storage where the profile information is stored; an interface enabling the exchange of data between advertisers and first computer and between subscribers to said publication and first computer (see fig. 1-4, abstract, col. 2 lines 19-35) using of heuristic data to determine which advertisement to be disseminated on the page in on-line publication, including targeting, frequency and appropriate of the advertisement (see col. 5 lines 1-17); determining all available advertisement locations and placing the ads on all the available locations and resizing the content and to fit within the available space on the page (see abstract, col. 2 lines 19-30, col. 3 lines 19-50, col. 4 lines 1-45). It would have been obvious to one of ordinary skill in the art at the time of the invention to resize the ads of Hanson as in Markowitz in order to properly lay the advertisement in the publication without obscuring any information, as taught in Markowitz.

Claim 37 is rejected as stated above in claim 1.

Claims 10 and 12, are rejected under 35 U.S.C. 103(a) as being unpatentable over Markowitz et al. (US 6,311,185) in view of Hanson et al. (US 5,974,398).

Regarding claims 10 and 12, Markowitz teaches receiving a publication into which advertising material as an advertisement to be placed for publication using a predetermined methodology (see fig. 3, abstract, col. 2 lines 19-36, col. 3 line 65 to col. 3 line 18); using heuristic data to determine which advertisement to be disseminated on the page in on-line publication, including targeting, frequency and appropriate of the advertisement (see col. 3 lines 1-17); placing the ads on all the available locations and resizing the content and to fit within the available space on the page (see abstract, col. 2 lines 19-30, col. 3 lines 19-50, col. 4 lines 1-45); automatically resizing the advertisement corresponding to an advertiser to fit within a publication space on the page and automatically resizing at least one of the existing content to fit within available space on the page (see col. 3 line 19 to col. 4 line 15). *Hanson teaches the advertiser providing minimum and maximum bid amounts (see fig. 15).* Markowitz teaches wherein the steps are performed an Internet service provider (see 2 lines 50-67). Hanson teaches obtaining offers to place advertisement on a page in an on-line publication; selecting the greatest offer; identifying at least one subscriber to which the page of the on-line publication, according to demographic data; placing on the page of the on-line publication the advertisement; wherein the offers are for a determinable sum (see fig. 13-15, col. 9 line 29 to col. 11 line 5); selecting content information based upon subscriber demographic data (see col. 8 line 63 to col. 9 line 23). It would have been obvious to one of ordinary skill in the art at the time of the invention to select the ads of Markowitz based on the highest price, as in Hanson, to maximize the revenue of the service provider.

### ***Response to Arguments***

Applicant's arguments filed February 01, 2008 have been fully considered but they are not persuasive. Applicant states that the original specification clearly states on page 6, at lines 28-29 that "... the content information files and candidate advertising might be suitably resized in auctioning ads as described herein further maximize advertising revenue" in addition on page 6 lines 31-32 that *"Re-sizing ads and **content might** done at any conveniently located step."* Hence, since the original specification unquestionably teaches that re-sized advertisements are in auctioning advertisements and can be done at any step, the claimed language of "auctioning the resized candidate advertisements to advertisers and auctioning the resized dynamic content to content providers" is clearly supported. Examiner respectively disagrees. Applicant's specification (see fig. 1) shows finding ads which fit space availability (step 116), after the advertiser submits the advertisement content with an offer, then at step 118, ads based on amount bid/impression are prioritized and ad that is worth the most is selected. This indicates that the auctioning is done first and then ads are prioritized based on the amount and also ads are located that fit the space and demographic. Even if the ad is resized at any step i.e., between step 116 and 126, the auction is performed before step 116 that is at step 102 when the offer is received. As indicated before, the specification does not disclosed or suggested that the advertiser submits the advertisement in any size (with no offer), then the ad and content is automatically resized and after resizing the resized ad is auctioned to the advertiser and resized content to content provider. The specification also does not teach auctioning the resized dynamic content to content providers.

Regarding claims 10, 13, 27, 36 and 37, applicant argues that the claims are not indefinite. Applicant states that the Applicant does not understand the Examiner's reasoning because the elements rejected are not mutually exclusive of each other and indicates that the original specification states that “ ... actual location of the ad's placement in the publication - and therefore the value to a prospective advertiser - will vary according to a variety of factors, including but not limited to the content information (files) that will comprise that rest of the publication at delivery time. Examiner would like to point out that the 112 rejection have nothing to do with the specification. Applicant indicates that “*Advertising placement offers might also therefore include terms that specify an amount based upon placement location in the publication.* Similarly, an advertiser might require certain *minimum amounts for ads placed in certain areas or locations of the publication.* Advertising offers - *including both monetary and non-monetary terms*, both of which are considered herein and for claim construction to be offer “amounts” and/or offer “prices”.

Based on Applicant clarification the rejection of the 112 second paragraph is withdrawn.

Regarding the art rejection Applicant states “In contrast, the Applicant's claimed invention includes using advertising placement offers in the first and second offers that include terms specifying an amount based upon specific placement location in the publication, using specified minimum amounts in the first and second offers for advertisements placed in predetermined areas or locations of the publication and using monetary and non-monetary terms in the first and second offers. These features clearly are not disclosed, taught or suggested in the combined cited references”. Examiner respectively disagrees. As indicated above Hanson in

view of Markowitz teaches all claimed features. Regarding the use of heuristic data the Examiner have already addressed Applicant argument.

As indicated above Applicant does not disclose or suggest that the candidate advertisement is resized and auctioned to advertisers and the resized content is auctioned to content providers. As indicated in the previous office action Markowitz teaches automatically resizing the advertisement to fit a web page. Hanson teaches Markowitz discloses that the advertisement can be positioned to stand out from the original web page without obscuring any information, and the size and color of the advertisement can be adjusted to this end, moreover the server could modify the HTML of the original web page to move and/or shrink the text and graphic regions (see col. 3 lines 29-37). Regarding the auctioning of the resized advertisement, Examiner would like to point out that applicant also does not teach this feature. Hanson teaches obtaining offers from advertisers to place ads on web pages (see abstract, col. 5 lines 3-21). Applicant teaches that in step 122, recipient (subscriber) heuristic data is read (checked) to determine if any of the candidate advertisements, 102 for example, have already been sent to the subscriber, in part, to determine if another delivery of the same, related or similar advertising is appropriate--according to either advertiser demands, expectations or payment or the subscriber's demographic data. Subscriber's heuristic data, in light of the specification, is interpreted to mean subscriber collected data that indicates what advertisements have been viewed by the subscriber. Hansen teaches data collected "Advertiser offers database 106 stores offers or bids that are presented to users. These offers or bids are auction-type bids that present to the user a bidding value to induce the user to have the advertising message displayed. The inducement is the offer or bid of something of value to the user. The thing of value can either be a credit to the user's

service or usage charges, or a credit to the user's bank account, or other forms of value to the user. The advertising messages, or advertising presentation applications themselves, are stored in the advertiser content database 108. Information regarding the number of times a particular advertisement is viewed, by whom and at what times, and whether viewed previously by a particular user, may be optionally stored in advertiser offers database 106''.

### ***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yehdega Retta whose telephone number is (571) 272-6723. The examiner can normally be reached on 8-4:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Yehdega Retta/  
Primary Examiner, Art Unit 3622